App. F. IX-4

PRESERVED

Previous References

1936-7
(97.)

File No. 289-36
Serial Nos. 1-9

Letter References
F.T. 22-38-356.

Preserve

GENERAL AND REVENUE SECRETARIAT.

Serial Nos. ~~Eight~~ Nine

B 45-E

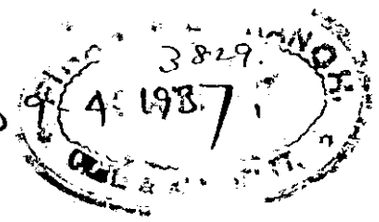
Part B for March 1939

SUBJECT.

Payment of interest on Japan Securities.

WD 0295—GPB—22,500—15-6-37

W.O. No: 2556/SL & 4:1937



Re. Payment of interest on Mysore Government Securities in Burma after 1-4-37

In enclosing herein copies of the marginally noted communications received from the Reserve Bank of India, Calcutta, and the Controller of the Currency, and the Accountant General, Burma, for information of Government, I note below the particulars of Loan bonds enfaced at Rangoon Treasury and of Stock Certificates for which interest warrants are payable in Magwe Treasury. From the particulars it will be seen that out of the total holding of Rs 4,45,000/- in Burma, interest becomes payable on 1st May in all cases except Rs 11,000/- bonds 4%, for which payment of interest will become due on 1st June. The arrangement first made by the Reserve Bank of India Calcutta - - - and intimated in its letter would have met our requirements even after the separation of Burma from India. But the Controller of the Currency who had first concurred with the arrangement of the Reserve Bank subsequently cancelled it on the ground that complications in connection with incometax exemption would arise and that the holdings of our bonds in Burma amounted to only Rs 1,20,500/-. It is no

1. No.PDO 2984 D/ 20-3-37 from the Reserve Bank of India, Calcutta.
2. CC 2242 D/ 31-3-37 from the Controller of the Currency, Calcutta
3. PDO/3329 D/ 1-4-37 from the Reserve Bank of India Calcutta
4. Loan 480 Dated 2-4-37 from the Accountant General Burma

P. T. ℗

9.4.37

known how the Controller of the Currency arrived at this figure. The Reserve Bank, under the instructions of the Controller of the Currency cancelled the original arrangements. In addition, the Accountant General, Burma, has also under -- instructions of the Controller of the Currency issued a Press Communique to the effect that no further interest would be -- paid on the Mysore Securities in Burma and that the Comptroller, Mysore Government should be referred to in the matter.

2 The sudden stoppage of the payment of interest will cause undue inconvenience to the holders who have been enjoying the facility of drawing interest all these years in Burma. I am not quite aware of the exact financial relationship between the Government of India and Burma, but I believe there must be a large stock of Government of India Securities held in Burma and reciprocal arrangement for payment of interest by both the Governments must have been established. I do not see why the Controller of the Currency cannot extend the same reciprocal arrangement in regard to our securities also. I find from the transitory enactments published in the Extraordinary Gazette of India dated 1-4-37 that the British Indian Incometax Act will apply to Burma also. Our Securities are referred to in the Act as exempt from incometax. Whether the same ruling for exemption does not apply in Burma also is a point about which I have no information, and Government will have to examine in consultation with the Law Department how the tax exemption at present enjoyed by our Securities in British India gets affected in Burma by the separation.

3 The matter is urgent and some effective action has got to be taken immediately to correspond with the Government of India to facilitate payment of interest on our Securities so that we may fulfil our obligations to the existing loan holders. In the meanwhile as interest has got to be paid on 1st May next, I request orders as to whether I may request the Controller of the

9.4.37

3829 pf.

Currency to restore the arrangement made by the Reserve Bank of India, at least as a tentative arrangement for this half year, pending further examination of the question and final orders thereon. If this course does not commend itself I request instructions as to what other arrangements have to be made.

Comptroller.

9/4

Bonds enfaced for payment at Rangoon Treasury

4% 1953-63	1st June & 1st December	Rs 11,000
5% 1955	1st May and 1st November	2,50,000
5½ % 1938	1st May & 1st November	1,09,500
		3,70,500

Stock Certificates

5½ % 1938	1st May & 1st November	75,000

Warrants on Magwe Treasury-

FINANCIAL SECRETARY'S
9 APR.
No.

To, The Financial Secretary to Govt., Bangalore.

Shown to 2nd Mr 4 A. Draft reply is submitted for consideration

AD 13.4.37

AD 13.4.37

7 (Secy)

5 May be approved & the letter sent & approved by the 2nd Mr also.

13/4

b) Mr 13-4-37

Dewan)

13/4

FINANCIAL SECRETARY 4039 23 APR. 1937 GEN. & REV. SECTT.

Serial No.

U.O. No. 2661/S.L. Dated 22nd April 1937

7) In continuation of my U.O. Note No.2556/S.L. dated 9-4-37 regarding stoppage of payment of interest of Mysore Securities in Burma from 1-4-37, it is submitted that the draft of the letter addressed to the Controller of the Currency approved by the Dewan has been issued by me on 14-4-1937.

FINANCIAL SECRETARY 2 APR No.

8) The question of incometax referred to by the Controller of Currency has, however, not been referred to in that communication. It is for consideration whether the exemption question may not be taken up now and discussed with the Controller of the Currency. I submit herewith the draft of a letter proposed to be sent to that officer to get information in regard to the grounds on which exemption hitherto enjoyed by our securities has now been held to be not operative. I solicit orders, if any communication is necessary on the point now and if so, whether the accompanying draft may be issued as it is or in any revised form. Whether some action in the Secretariat is also not desirable is for consideration.

Comptroller.

22/4/37.

NOTE—Contn. Sheet.

WD 0246 -GPB—15,000—22-8-32

(Comptroller's Office | File No. 5 of 193 ..

Serial No.

U.O. No. 2681/S2 Dated 23rd April 1937
2nd

9) In continuation of my U.O.No. 2661/S.L. dated 22nd Instant re. stoppage of payment of interest on Mysore Securities in Burma from 1-4-37, I submit herewith the copy of the reply No.CC 2754/Dt. 14-37 dated 19-4-37 received from the Controller of the Currency, Calcutta, stating that for the reasons urged by him, it is unnecessary to make any interim arrangement for payment of Interest in Burma as suggested in my letter No.2569/S.L. dated 14-4-37, copy of which is already filed with Government. The necessity for the issue of the proposed draft to the Controller of the Currency in my U.O. Note No.2661/S.L. dated 22-4-37 regarding the exemption from incometax is therefore unnecessary now.

10) As payment of interest on 5 and on 5½ % Bonds is due on the 1st Proximo and as there is hardly any time for further correspondence, I solicit orders of Government, whether I may request all the holders in Burma of these Bonds to send their bonds to me for noting payment of interest thereon and make payments by obtaining drafts from the Imperial Bank of India, Bangalore, on the Imperial Bank of India, Rangoon, similar action being also taken in respect of Stock holders to whom interest warrants on Burma Treasuries were being issued hitherto.

11) It is also a point for orders whether as

Note--Contn. Sheet.

File No | of 193 | Comptroller's Office

Serial No.

advised by the Controller of the Currency, the bond-holders should be requested to get their bonds enfaced in India.

12) Whether the Imperial Bank of India may be requested to intimate whether they can arrange to pay interest in Burma on our Securities as in the case of Madras and if so on what terms is also a point for orders of Government.

FINANCIAL SECRETARY
APR.
No.

Comptroller.

24/4/37.

To

The Financial Secretary
to the Govt. of Mysore.

4218
Fl..

General and Revenue Secretariat | File No. of 193 | [App. F. III—2

Serial No.

U.O. No. 2762/S.L. Date - 1-5-1937.
& Two. -

FINANCIAL SECRETARY
1 MAY
No.

13) In continuation of my note No.2681/S.L. dated 24-4-37 regarding arrangements for payment of interest on our Securities in Burma, I enclose herein the reply received by me from the Imperial Bank of India, agreeing to do the needful on our consenting to pay a commission of 2 annas per cent on the amount of interest paid in Rangoon. The rate of commission being paid to the Mysore Bank is also 1/8 per cent, the lumpsum payment of Rs 1500 now paid to the Imperial Bank actually works out to ¼ per cent.

14) The present holding in Burma including stock is only 183200 and the interest payable thereon will be less than Rs 10000/- per year. The amount payable as commission will therefore be very small being only about Rs 6-4-0 per half year and the rate also being quite reasonable may be accepted subject to further revision as suggested by the Bank along with the general agreement re. financial arrangements.

15.) If approved the draft reply enclosed will be issued to the Bank and the Accountant General, Burma and Treasury Officer, Rangoon requested to instruct the holders to approach the Imperial Bank, Rangoon to draw the interest.

Comptroller.

S.L.
COMPTROLLER'S OFFICE
- 4 MAY 1937
BANGALORE

NOTE—Contd. Sheet.

WD 0246 -GPB—15,000—22-8-32

File No. of 193

General and Revenue Secretariat

No. 2801/SL Dated 5-5-37

Noted and returned with compliments,

(1) Reference is invited to my Note No.2786/SL dated 4-5-1937 intimating that the letter has been issued in anticipation of approval to - - avoid delay.

Comptroller

5/5/37

FINANCE SECRETARY
No. 1

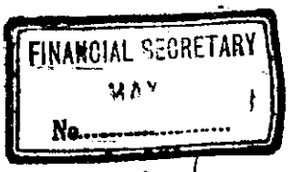
Fx 3829

Payment of Interest on Mysore Government Securities in Burma.

Comptroller's Office

File No. of 193 .

9



Serial No.

Go No 2786/SL
Dated 8-5-37.
5

18 In continuation of my U.O. Note No.2762/SL dated 1-5-37, I write to state that I have in anticipation of approval of Government issued the proposed letter to the Imperial Bank of India, as the matter was urgent and request that my action may be ratified.

Comptroller.

The Financial Secy to Govt. Bangalore.

19. With the approval of the Dewan, the Controller of Currency was requested to arrange for the payment of interest on Mysore Government Securities, for the current half year, in Burma Treasuries, as usual, pending the final decision of the question. Since he did not agree to this, the Imperial Bank of India was requested to arrange for the same in the Rangoon Branch, and the Bank has agreed to urrange for this payment, charging a commission of 1/8th per cent on the amount of interest paid. This arrangement, which is satisfactory, has been agreed to by the Comptroller.

20. The point now to be considered is the action to be taken for getting exemption from Burma Incometax on Mysore Government Securities. Draft letter to the Residency will be separately put up.

21. Submitted for kind perusal.

7-5-37 H Secy)

22) Dewan)

8-5-37

Note— Contn. Sheet

3839/9

10

G.17 File No. 289 of 1936

Comptroller's Office

Serial No.

5793

23) Reference para 20. Draft letter to the Residency, regarding exemption of Mysore Government Securities from Burma Income-tax, is submitted for approval.

H Secy) 17-5-37

Gen Secy) 17/5 17/6

24) 17/6

Raised draft approved by the Fe: Secy is placed below -

Second Member) 25) 18/6/37

OFFICE OF THE SECOND MEMBER OF COUNCIL
18 JUNE 1937
No. 9043

Dewan) 26) 18-6-37

19/6/37

Issue 19/6

3423 19.6.37

Letter No. Pol 1533 dated 24-6-37 to the Secretary to the Resident

Serial No.

5453

No 2989/S.C. 3 28-5-37 from the Comptr requests instructions about his reply to be sent to an enquiry about the liability of Kenya Securities to Burma Income Tax

H Secy on the Controller of Currency's instructions.

" He is to be informed of this "

H.S.C.
28-5-37

Please see linked file which deals with the question of continuance of exemption from Burma Income Tax. Pending conclusion Bruce, a draft is put up for orders.

MR 31/5.

H Secy)

Draft

CW 31/5

Draft may be put up for approval.

H 31/5

MR 1/6

typed draft put up

TYPING SECTION 2 JUN 1937 GE.

MR 1-6-37

Issue CW 1/6

NOTE—Contn. Sheet.

WD 6417—GPB—80,000—8-9-36

408/P/37

3829/H

General and Revenue Secretariat	File No.	of 193	[App. F. III—2

Serial No.

27) The words "for a period of two years from 1st April 1937" were inserted in para 5 of this office ~~lette~~ letter No.Fol 1533 dated 24th June 1937, assuming that para 3 of the India and Burma(Transitory provisions) order 1937(Vide pages 49 and 50 of the Gazette of India Extra-ordinary dated 1st April 1937) applies to Burma. On a detailed examination, it is seen that this para does not apply to Burma but only to British India. These words have therefore to be deleted.

28) According to Sections 140 and bbbb

3829/X. 404

12)

G.F File No. 289 of 1936. General and Revenue Secretariat

30) The Burma Act 1935, and the Government of Burma (Adaptation of Indian Laws) order 1937 [Corresponding to the Govt of India (adaptation of Indian Laws) order, 1937 printed at p. 75 of the Gazette of India Extraordinary April 1, 1937] may kindly be put up

BKR
29.7.37

Asst Secy
Fin. Dept
W.C.

31) The ~~Burma~~ Govt. of Burma Act 1935 + the India & Burma Existing Laws Act 1937 are put up.

3
G.

32) The Adaptation of Indian Laws order 1937 does not appear in the Gazette of India.

Subd:-

The Order mentioned by the Asst Secy is not available with me, and I ~~am unable~~ have not come across any reference to it.

M.R.V.
2/8

33) Mr. Varadarajan will please put it up if he has it with him or give particular references to it.

MV
31/7

34) May perhaps be referred to the Law section

M
2-8-37

MV
2.8.37

35) I feel that Govt of Burma (Adaptation of Indian Laws) order must have

1791/37 P 837 3829/37 507

General and Revenue Secretariat — File No. 289 of 1936. 24/36 [App. F. III—2

Serial No.

been issued. In the absence of definite information that no such 'order' has been issued, I think it is unsafe to express an opinion about the draft in question. I would therefore suggest that an order may be placed with the Govt. of India Central Depot for a copy of the Burma order in question. A reply from the Depot will decide the existence or otherwise of the 'order' in question

Put up 2 17-9-37

Book ordered 17/9

Asst. Secy Fin. Dept. W.C. BKR 16.8.37

3b) Two books on the subject are put up. Asst. Secy, Law, W/c. Sd/ 11.8.37

Sd/ 17.9.37.

BKR 17.9.37

37) Section 148 of the Government of Burma Act provides that all the laws in force in Burma immediately before the commencement of that Act, shall continue in force in Burma until altered, repealed or amended by legislature or other competent authority. As provided in Sec. 14 an order in Council has been issued, amending the laws in force in Burma on 1.4.37, in so far as amendments were necessary in consequence of

NOTE—Contn. Sheet.

WD 0417—GPB—30,000 - 8-9-36

X)

1794/37 L — 2778/37 P

File No. 693 H. — 164 Ge — of 193

14)
General and Revenue Secretariat

Serial No.

Separation of Burma from India: Sec 1 states that the British Indian Income Tax Law which was in force in Burma till 1.4.37, continues to be in force even subsequent to 1.4.37 i.e. even after its separation from British India, unless altered or repealed or amended by the Legislature or other competent authority. We have no information that such alteration or amendment has been effected by the Burma Legislature. It seems therefore that the notification issued under Section 60, exempting the interest on Bygone Bombay Securities from the tax payable under the Indian Income Tax Act, should be deemed to be in force in Burma

BXR 29.9.37

to

L.S.G. Secy)
Fin. Secy)

38) Revised draft is submitted for consideration. This may perhaps be sent to the Law department for favour of remarks.

Asst. Secy., Law, W/c

6-11-37

8.11.37

143

Law

BXR 8.11.37

SECY. LOCAL SELF GOVT. 29 SEP 193

Payment of interest on Mysore Govt securities in Burma

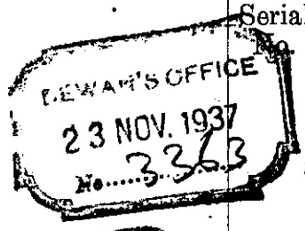
2878

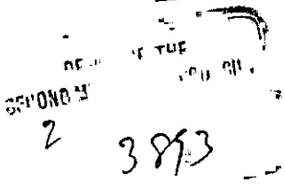
15

164

General and Revenue Secretariat	File No.	of 193 .	[App. F. III—2

Serial No.





2 3863

39) For the portion marked in red pencil, the portion in the Slip attached may perhaps be substituted

BKR
9.11.37

Asst. Secy
Fin. Dept
WC

L.S.G.Secy.
H. Secy.

BR
9.11.37
11

40) [illegible]
13/11

41) [illegible]
19/11

Second member
Dewan.

42) RLM
23/11/37

43) MJ
24-11-37

RW
24/11

44) The draft will issue now.
L. S. G. Secy.)

BR
25.11.37.

45) [illegible]
25/11/37
BR

W: Pol: 608 of 26.11.1937.
to the Secy: to the Resident:

NOTE—Contn. Sheet.

WD 0284—GPB—30,000—13-8-37

7489/37

1+1/37 3895

File No. of 193 | General and Revenue Secretariat

Requests that under the circumstances stated the Crown Representative may kindly be moved to take necessary action to secure the continuance of the existing reciprocal arrangements in Burma.

46) D.O to the Supdt Residents office is submitted for orders (Refer para 29)

27/11

47) Issue.

SR
29.11.37.

D.O. No. 71: 2984 dt 29.11.37

To The Superintendent, Residents' Office, Bangalore.

Intimation this Secy. letter No: PM 1533 dt 24.6.1937. on the subject may be treated as cancelled.

SRS
MR 8/12

Letter no 7 114-37/RO I 9 21-5-38 from the Secy to the Hon'ble Resident in Mysore describing the position of the case. 5

48) Vide notes & orders on the letter.

Perhaps this may be sent to the Law Deptt for further remarks

MR 22/6. 49) Asst. Secy., Law, &c.

SR
22.6.38.

38/Law
SRR
22/6

Serial No.

50) It is admitted that the notification issued by Govt of India under Sectn 60 of the Indian Income Tax Act continues to be in force in Burma even after separation. The exemption of Reserve Govt Securities from double income-tax was also granted by a notification of 25.7.22 issued by the Finance Department of Govt of India in exercise of the powers conferred by Sectn 60 of the Act.

51) It is therefore difficult to understand how the notification, so far as it relates to the Reserve Govt securities, cannot be deemed to be in force in Burma. It is also difficult to follow the argument in para 11 of the Residency Letter that the arrangements were enforced by an executive order issued by Govt of India.

BMR 30.6

Asst Secy Fin Dept

52) Refd orders on Resy. letter of 21.5.38.

L.S.G. Secy)

1.7.38

53) A draft reply (copy) marked ... is submitted for approval.

1-7-38

NOTE—Contn. Sheet.

See Flag S (F.T. file 9-22)

1 JULY 1938

File No. 289 of 1936.

General and Revenue Secretariat

Serial No.

(4) Our letter of 26.11.37 mainly related to our claim for exemption of Supreme Govt securities from Burma Income Tax and the Residency letter was not our contention is conceded:

(5) By the subject matter in the hearing of the Residency letter I was, however, led to think that para (ii) of that letter also related to our claim in respect of Supreme Government securities and I was therefore led to make the observations I made in para 2 of my note on 30-6-38

(6) On going through the papers again I find that my observations in para 2 of my note are wrong and need revision. It may be observed that though we had not raised the question, para (ii) of the Residency Letter relates to position, as applicable to Burma, regarding similar reciprocal arrangements between this Govt and Govt of India in respect of salaries, pensions & income from business etc. It is true that as pointed out in the Residency letter,

I very much regret the delay in the submission of this file

BKR 30/9

3855
7L

19)

Payt of interest on mysore Govt Securities in Burma

General and Revenue Secretariat | File No. 229 of 1936. | [App. F. III—2

Serial No.

These arrangements were enforced by executive orders issued by the Government of India and not by any notification under section 60, as in the case of Mysore Govt securities. It follows therefore that these executive orders which have not the force of law, have no operative force in Burma subsequent to its separation from British India.

5?) I think therefore there is no use in re-opening the question in respect of this matter.

BSKR 30-9-38

(S. S. G. Secy)

GOVT.

OFFICE 21 OCT. 1938 2909 No.

SECY LOCAL SELF GOVT. 10. OCT. 1938 GOVT. OF MYSORE.

5?) No further action is necessary.

15-10-1935 BR

Two / R Secy

U.O. no. Fl. 1093 dt 17.10.38.

OFFICE OF SECOND-MEMBER OF COUNCIL 27 OCT. 1938 No. 3490

II member

5?) A copy of Residency letter dated 21-5-1935 will be sent to the Comptroller for information. A copy of this letter (with a copy of our communication) may be sent to the Commissioner of Incometax for information and remarks, if any.

Durga.

(2) (3)

27.10.35 BR

60) 28/10/38

61) 28-10-38

62) 29.10.35 BR

NOTE—Contn. Sheet.

20) Re: Payment of interest on Mysore Govt Securities in Burma

748 / 37 / 3895 / Pl.

7L File No. 289 of 1936.

General and Revenue Secretariat

Serial No.

61) Subd with the drafts for appl

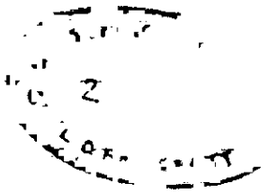
C—MR 31/10/38

62) Dissent.

Sd/-

2-11-38.

Before it is for consideration



No Pl 2639 / Dated 7-11-1938 7.

The Comptroller to Govt forwards a copy of the Residency letter D/ 21-5-38 re: the exemption of Mysore Govt Securities from Burma Incometax. for his information and remarks.

No Pl 2640 / Dated 7-11-38 8

The ~~E~~ Comr. of I.T.

forwards for information and remarks copies of letters No F. 114-37 RO I Dated 21-5-38 from the Residency and the reply letter No [redacted] Pol 608/GF 289-36-4 D/. 26-11-1937

Sub A

C MR

8/11/38

Law section to kindly put up the Burma Acts etc ~~sent~~ sent with the file.

2 MR

14-11-38

The books are put up

BOKR

14-11-38

Books are retained with Mr. M. K. Murthi

Bnb

14/11

Sd

for 2

14-11-38

7 in Bor)

3411
-37

General and Revenue Secretariat C.7 | File No. 289 of 1936 | [App. F. III—2

Serial No.

Letter no: C. 249/38-39 dt 24.3.39 from the Commissioner of Income-tax.

States that the exemptions of Reciprocal Securities from the Burma Income-tax Act continues to be in force in Burma even after its separation, unaltered and as regards income falling under the other heads, opines that no reciprocal arrangement with the Government of Burma is called for, for the present.

Submr. In the circumstance whether the file may be recalled or the further remarks of the Law Deptt obtained is for orders

No further action appears Called for at the present

27/3/39.

Secy (Rev)

Asst Secy) 27/3/39

28/3

Secy. Local Self Govt. 2 C. ... 193... Govt of Mysore

B 26/3

NOTE—Contn. Sheet.

WD 0544—GPB—30,000—2-9-83

Letter No.PDO/2946 dated 20th March 1937 from the Manager Reserve Bank of India, Calcutta, to the Manager, Reserve Bank of India, Rangoon.

Payment of interest on Mysore Securities

With reference to your letter No.B/32/39-37 dated the 17th March 1937, we have to state that it has been decided with the concurrence of the Controller of the Currency that the Government of India Loans Section of your office should also, with effect from the 1st April 1937, take over from the Accountant-General, Burma, the work at present done by his office in connection with those Promissory Notes of the Mysore Government which are enfaced for payment of interest at Rangoon. The usual half-yearly commission due to the Bank on this account will be realised by the Public Debt Office, Calcutta, and credited to your account on your furnishing that office on the 3rd July and 3rd January each year with a statement showing the balance of Mysore Promissory Notes standing enfaced on Rangoon as on the 30th June and 31st December.

2. The procedure for payment of interest on Mysore Promissory Notes will be the same as in the case of Government of India Securities excepting that a special form of Interest Order (vide the specimen enclosed) will be used and no Interest Draft Registers will be maintained on this account the counterfoils of the Interest Orders being preserved instead.

3. As regards the question of adjustments of these debits the arrangement will be that you will debit this office thrdugh "General Account" with the amount of interest when paid and will forward the relative paid Interest Orders here in support of the debit, this office will pass on the [illegible] the Government Account and

Calcutta, along with the daily accounts.

4. As there is insufficient time to print locally the Special Interest Orders this should be done bynyou. Interest on the current Mysore Securities is tax free and no Income Tax Deduction Certificate will therefore be printed on this account.

No PDO/2984. Dated 20th March 1937

Copy forwarded to the Comptroller to the Government of H. H. the Maharaja of Mysore, Bangalore.

Sd H. Godwin
Manager

Copy

Rama Narasimhachar
Superintendent
Comptroller's Office.

BM 9.4.37

Letter No CC 2242 dated 31st March 1937 from the Controller of the Currency, Calcutta to the Comptroller to the Government of Mysore, Bangalore

---

Subject - Payment of interest on Mysore Securities in Burma after separation.

I have the honor to state that on and after the 1st April 1937 interest on Mysore Securities will not be payable at Burma treasuries under the existing arrangement between the Government of India and the Government of Mysore as Burma will cease to be a part of British India. The matter is also further complicated by the fact that the interest on these securities will be liable to Burma Incometax as the existing exemption from Indian Income-tax will not be valid in Burma after separation.

2. The total nominal value of such securities enfaced on Burma is understood to be Rs 1,20,500 only, and it is suggested that in view of the small amount involved, the simplest way out of the difficulty will be to arrange with the holders to have the securities re-enfaced on India. The Accountant Heneral, Burma, and the Manager of the Reserve Bank of India at Rangoon have been instructed to inform bond holders who apply for payment of interest to refer the matter to you.

Copy

Superintendent
Comptroller's Office.

9.4.37.

Letter No Loan/479 dated 2nd April 1937 from the Accountant General, Burma, to the Controller of the Currency, Calcutta.

With reference to your telegram No.CC 2240 dated the 31st March 1937, regarding ~~th~~ discontinuance of payment in Burma of interest on Mysore Government Securities, I have the honor to state that necessary instructions on the subject have been issued by this office to the public as well as the Treasury Officers in Burma. A copy of the Press Communique on the subject is enclosed for your information.

No. L 480 Dated the 2nd April 1937

Copy together with a copy of the Press Communique in question is forwarded for information to the Comptroller to the Government of His Highness the Maharaja of Mysore.

Sd C.V.S. Rao

Accountant-General, Burma

Copy

Superintendent
Comptroller's Office.

9.4.37

PRESS COMMUNIQUE

With effect from the 1st of April 1937 arrangements for the payment of interest on Mysore Government Securities in Burma have been terminated and interest on these Securities enfaced for payment in Burma will not be paid by the - - Accountant General or the Treasuries in Burma. Holders of these securities should refer to the Comptroller to the Government of His Highness the Maharaja of Mysore regarding the payment of interest falling due on and after that date.

Sd C.V.S. Rao

Accountant General, Burma

Copy

M. Narasimhachar

Superintendent
Comptroller's Office.

9.4.37.

Letter No,PDO/3322 dated 1st.April 1937 from the Manager Reserve Bank of India, Calcutta, to the Manager,Reserve Bank of India, Rangoon.

Payment of Interest on Mysore Securities at Rangoon

We have to state that in view of the recent decision of the Controller of the Currency to the effect that interest on Mysore Securities can n o longer be paid in Burma after separation as communicated to you in his telegram No.C.C.2240 of the 31st March 1937, our letter No.PDO/2946 dated the 20th March 1937 may be treated as cancelled.

No. PDO/3329 dated the 1st April 1937

Copy forwarded to the Comptroller to the Government of H. H. the Maharaja of Mysore, Bangalore for information in continuation of our endorsement No.PDO/2984 dated the 20th March 1937 and with reference to Controller of the Currency's letter No. C.C. 2242 dated the 31st March 1937.

Sd/ R.A.B. Allan

Manager.

Copy

M. Narasimhachar

Superintendent
Comptroller's Office.

9.4.37

Letter dated 5th May 1937 from V.S. Aiyar, Esq., B.A.BL Barrister-at-law, Magwe, (Upper Burma) to the Comptroller in Mysore, Bangalore.

Book Debt Certificate No.0415 5½ % Bonds 1938

With reference to your letter No.2707/SL of the 26th April 1937, I have the honor to say that I already wrote to you on the 25th April 1937 that I would be satisfied if the interest is made payable either at the Imperial,Bank of India branch Rangoon, or at the Reserve Bank, branch Rangoon or preferably at the Central Bank of India Ltd., branch Rangoon If the Government cannot see its way to make the draft for interest payable at the Central Bank of India Ltd., branch Rangoon, I request that a draft may be sent to me payable at the Imperial Bank of India Ltd., branch Rangoon.

I do not know if the exemption from income-tax in British India which applied to these payments of interest in Burma will continue to apply after separation. No communique has yet been issued here on the point.

I shall be much obliged if you can enlighten me on the point.

Copy

Superintendent
Comptroller's Office.

25/5/37

In reply please quote reference to No. .....

OFFICE OF THE COMPTROLLER TO THE GOVERNMENT
OF HIS HIGHNESS THE MAHARAJA OF MYSORE,
Bangalore, dated 22nd April *193*7.

FROM

A. N. RAGHAVACHAR, ESQ., M.A.,
Comptroller to the Government of
His Highness the Maharaja of Mysore,
Bangalore.

To

The Controller of the Currency
The Treasury, Calcutta.

SIR,

In continuation of my letter No.2569/S.L. dated 14-4-1937 in reply to your letter No.C.C. 2242 dated 31-3-1937, regarding the -- payment of interest on Mysore Government Securities in Burma after 1-4-1937, I have the honor to state that it is mentioned in your - - letter under reference that the interest on Mysore Securities " will be liable to Burma Incometax as the existing exemption from Indian Incometax will not be valid in Burma after separation." Exemption of Mysore Securities is one of the items clearly specified in the -- Indian Incometax Act along with several other items which are given exemption. It is not clear if the exemptions of Indian Incometax ar not permitted to be continued even now in Burma. If they are, - - interest on Mysore Securities will also continue to retain the exemp tion. If however they are not continued, I have the honor to request that you will be so good as to enlighten me as to the cours which has to be adopted to get the exemption continued.

An early reply is solicited.

I have the honor to be,
Sir,
Your most obedient servant,

22/4/37
Comptroller.

22/4/37.

22-4-37

Letter No.CC2754/Dt 14-37 dated the 19th April 1937
from the Controller of the Currency, Calcutta to
the Comptroller to the Govt. of Mysore, Bangalore

In reply to your letter No.2569/S.L. dated the 14th April 1937, regarding the payment of interest on Mysore Government Securities enfaced on Burma, I have the honor to state that the present arrangements for payment of interest on Mysore Government Securities apply to payment at treasuries under the jurisdiction of the Government of India only. The arrangements cannot be held to continue to apply to Burma treasuries after the political separation of Burma. In these circumstances, there is no means by which interest can be paid in Burma through any Government of India agency. Even if arrangements were made for the payment of interest by the Reserve Bank at its office in Rangoon, the difficulty would remain that the Bank would be bound to deduct income-tax from the interest at the time of payment under the law of Burma. The special arrangement in accordance with which the interest is paid free of tax in India will not apply to Burma.

2. In these altered circumstances, and in view of the small amount enfaced in Burma, it was decided that the most suitable course would be for you to arrange for re-enfacement of the securities to India. The bond holders have been apprised of the situation, as the Accountant General, Burma, has issued a press communique on the subject, a copy of which is enclosed. In the circumstances, it appears to be unnecessary to make any interim arrangement for payment of interest in Burma as - - suggested in your letter.

Copy

Superintendent
Comptroller's Office.

In reply please quote reference to No. 2694/22

OFFICE OF THE COMPTROLLER TO THE GOVERNMENT
OF HIS HIGHNESS THE MAHARAJA OF MYSORE.

Bangalore, dated 24th April 193 7.

Cheque may be sent tomorrow or at the latest on Monday by express & attested by me Bangalore A/c

24/4/37

FROM

A. N. RAGHAVACHAR, ESQ., M.A.,
Comptroller to the Government of
His Highness the Maharaja of Mysore.

To

The Secretary and Treasurer
Imperial Bank of India,
Madras.

SIR,

I have the honor to address you regarding the payment of interest to the State Loan Bond-holders in Burma. Hitherto they were being paid in Burma Treasuries. I have now been informed by the Controller of the Currency that this arrangement is no longer possible after the political separation of Burma from British India, and that I have to make other arrangements for these payments.

At present you are making payment of interest to our bond-holders at Madras in respect of securities enfaced for payment there. As you have a branch in Rangoon it may be quite feasible to undertake an extension of this work of payment in Burma - particularly from Rangoon Branch - on behalf of the Mysore Government and I request you to kindly arrange for this, debiting the Mysore Government account -- with the payments made.

A list of bonds enfaced for payment of interest in Burma and their relative face value as also the date upto which interest was last paid is enclosed herewith for your information. The bonds - - when received may be verified by the paying Bank with reference to this statement and due note of enfacement of the place of payment by the Imperial Bank noted on the relative bonds when tendered across the counter, and the interest paid noted as usual, the vouchers being sent in support of these payments made as in the case of payments now made by you at Madras. As the time before the interest falls due for payment is short and the amount involved is small (-V-L Rs [illegible]).

the bank , it is hoped, will not find it inconvenient to comply with the request. After getting a reply agreeing, the Accountant General, Burma, will have to be informed that bond-holders may be directed to approach the Imperial Bank, Rangoon.

I have the honor to be,
Sir,
Your most obedient servant,

24/4/37
Comptroller.

24/4/37

Letter No.03475/ dated 29th April 1937 from the ~~Deputy~~ Secretary and Treasurer, Imperial Bank of India, Madras to the Comptroller in Mysore, Bangalore.

I have the honor to acknowledge receipt of your letters 2694/S.L. of 24th Instant and 2706/S.L of 26th contents of which are noted.

2. The necessary reference to Calcutta Local Head Office is being made and we shall advise you further on receipt of their reply.

3. It is presumed that payments to be effected by Rangoon Branch will be confined to payments of interest on bonds and Stock Certificates only, by debit to the account of the Government of Mysore at Bangalore Branch. I shall be glad however if you will please confirm.

4. In regard to the 5½ % Stock Certificates for ₨ 75,000 payble at Magwe Treasury I would enquire whether it would be practicable to have the relative interest warrants made payable at Rangoon Branch. If this suggestion does not prove convenient to you please inform me at which branch of the Bank you would prefer to arrange for payment to be made.

5. I shall also be glad if you will please confirm for the information of Rangoon Branch that all the Bonds and the Stock Certificate enumerated by you are free from stoppage.

6. The proposed alteration in procedure will result in an increase of work at Rangoon Branch while the Bank will also be out of funds until reimbursement is effected at Bangalore. I would therefore suggest that our remuneration for the work and expense entailed should be levied at the rate of annas two per cent on the total amount of interest paid by Rangoon Branch each half-year. The terms now quoted are extremely fine and some revision may be necessary at a later date when the financial arrangements between Mysore Government an the Bank come up for

review. I shall be glad, however, if you will please meantime confirm your acceptance.

7. I shall be glad if you will please supply a General Check Register and a Stop Register direct to our Rangoon Branch.

Copy

W. Narasimhachar

Superintendent
Comptroller's Office.

Draft

To

The Secretary and Treasurer,
Imperial Bank of India,
Madras.

Sir,

In continuation of my letter No.2745/S.L. dated 30th April 1937 and with reference to your letter No.03475 dated 29th Idem re. - - payment of interest on Mysore Government - - Securities in Burma, I have the honor to state as follows :-

Para 3 of your letter - The reply is in the affirmative. The amounts paid are to be debited to the Government account with your branch at Bangalore.

Para 4 - The payments may be arranged for present at Rangoon Branch if you have no branch or out-agency at Maqwe. I presume that interest warrants may be issued directly by the Assistant Comptroller in charge of State Loans Department of my office as in all other similar cases and that I may forward specimens of his signature to the Rangoon Branch.

Para 5 - A list of the notes standing now enfaced at Rangoon Treasury and free from stoppage is enclosed in duplicate for your information and transmission to your Rangoon Branch. Future cancellation, payable and stop advices etc will be sent to that office direct.

Para 6 - Though the present holding is small and the half yearly interest payment is within Rs 5000/- your proposals regarding the remuneration for this extra work are - - --

acceptable and are hereby confirmed.

Para 7 - A blank check register in use in our Treasuries is being sent to the Rangoon Branch this day.

The Treasury Officer Rangoon is requested to direct all the holders of our bonds in Burma - to approach your branch at Rangoon for payment of interest on their bonds. Please issue the necessary instructions to that office immediately and forward a copy thereof to this office for - reference.

I have etc.

1.5.37

Comptroller.

1.5.37

Govt of India
Notification No
934 dated
25th July 1922
(Interest
on Securities)

To

The Secretary to the Hon'ble the
Resident in Mysore,
Bangalore.

No 5306-43-1917
dated 11-6-1921
No: For 8'54 dated
13th March 1924

Exemption from Burma Income Tax on
Mysore Government
Securities.

Sir,

I am directed to invite kind reference to Notification No. 93 S dated the 25th July 1922 of the Government of India Finance department, exempting the interest on Mysore Durbar securities from the British Indian Income Tax, and to state as follows:--

According to this Notification, the interest on Mysore Government Tax free securities paid in Burma was being exempted from British Indian Income Tax, as it formed part of British India. The Controller of Currency, Calcutta, states that after the separation from 1st April 1937 of Burma from British India, the exemption in respect of Mysore Government Securities referred to above will not be valid, and the interest on Mysore Government securities will therefore be liable to Burma Income-tax. The Government of Mysore feel that the discontinuance of this longstanding concession will act as a hardship to the holders of the Mysore Government securities in Burma, as at the time the Loans were raised, Burma formed part of British India and exemption from Income Tax was permissble.

The Government of Mysore therefore request that the Government of India may kindly be addressed, in the matter of the continuance

in Burma
of this concession in respect of at least the existing Mysore Government securities."

I have etc.

17/5 Financial Secretary.

17-5-37

2. Further, I am also to add that as the Indian Income-tax Act has been ordered to be in force for a period of 2 years from 1st April 1937 in Burma also, it is brit reasonable that the rules, issued + exemption thereunder should also be continued, during the period of transition

GOVERNMENT OF HIS HIGHNESS THE MAHARAJA OF MYSORE

General and Revenue Secretariat

Dated, Bangalore, ... June 193 7

No.

From Rajasevanipuna ~~S. Shamanna, Esq., B.A.~~ M Venkatesa Iyengar, Esq M A

Secretary to the Government of His Highness the Maharaja of Mysore.

~~Financial~~ general Department.

To

The Secretary to the Hon'ble the Resident in Mysore,

B a n g a l o r e.

Sir,

I am directed to invite kind reference to your letters No. 5306-~~13~~/1917 dated the 11th June 1921 and Pol.854 dated the 13th March 1924 in which certain reciprocal arrangements were approved of by the Government of India in regard to relief from double taxation of certain classes of income liable to payment of income-tax both in British India and in Mysore.

2. Prior to the separation of Burma, ~~these were in force in Burma,~~ these were in force in Burma also as part of British India and it would seem reasonable to continue them even after such separation, as a measure of convenience to the concerned parties.

3. Intimation has been received from the Controller of Currency that after the separation of Burma from British India from 1st April 1937, the exemption in respect of Mysore Government Securities will not be valid in Burma and that the interest on Mysore Government securities will therefore be liable to Burma Income-tax. The position is perhaps the same with regard to the other classes of income referred to above also.

4. I am accordingly directed to request you to kindly move the Government of India to take necessary action for getting the required orders and notifications issued for continuing these arrangements in Burma (separated).

5 I am to add that as the Indian Income-tax Act has been ordered to be in force for a period of 2 years from 1st April 1937 in Burma also, it is but reasonable that the rules and exemption issued thereunder should also be continued during the period of transition.

I have the honour to be,
Sir,
Your most obedient servant,
(Fair draft)

~~Financial~~ Secretary to Government
General

Please retype

MAL 7
22-6-37

GOVERNMENT OF HIS HIGHNESS THE MAHARAJA OF MYSORE

General and Revenue Secretariat

Dated, Bangalore, 24th June 193 7.

No. Pol 1533

From

M. Venkatesa Iyengar, Esq., M.A.,
Secretary to the Government of His Highness
the Maharaja of Mysore, General Department.

To

The Secretary to the Hon'ble the Resident in Mysore,
Bangalore.

Sir,

I am directed to invite kind reference to your letters No. 5306-43/1917 dated the 11th June 1921 and Pol.854 dated the 13th March 1924 in which certain reciprocal arrangements were approved of by the Government of India in regard to relief from double taxation of certain classes of income liable to payment of income-tax both in British India and in Mysore.

2. Prior to the Separation of Burma, these were in force in Burm also as part of British India and it would seem reasonable to continu them even after such separation, as a measure of convenience to the concerned parties.

3. Intimation has been received from the Comptroller of Currency that after the separation of Burma from British India from 1st April 1937, the exemption in respect of Mysore Government Securities will not be valid in Burma and that the interest on Mysore Government securities will therefore be liable to Burma Income-tax. The position is perhaps the same with regard to the other classes of income referred to above also.

4. I am accordingly directed to request you to kindly move the Government of India to take necessary action for getting the required orders and notifications issued for continuing these arrangements in Burma (Separated).

5. I am to add that as the Indian Income-Tax Act has been ordered to be in force for a period of 2 years from 1 st April 1937 in Burma also, it is but reasonable that the rules and exemption issued thereunder should also be continued during the period of transition.

I have the honour to be

Sir,

Your most obedient servant,

M. Venkatesalyengar

General Secretary to Government.

Aga/2.

164

TELEPHONE MESSAGE.

No. F.114-37
R.O.I

From

The Superintendent,
Resident's Office, Bangalore.

To

The Registrar,
General and Revenue Secretariat,
Bangalore.

Reference paragraph 5 of letter from your office No.Pol.1533, dated the 24th June 1937, wherein it is stated that the Indian Income-tax Act has been ordered to be in force for a period of 2 years from the 1st April 1937 in Burma also.

Would you kindly let me know the number and date of the notification or order containing this information as it is not readily traceable here ?

COPY

T. N. Thangavelu Mudaliar
SUPERINTENDENT, RESIDENT'S OFFICE.

MP

Appendix F G—1]

SUBJECT.....

.....

.....

Diary No. of letter replied to..... .....

Date of issue..... .....

Signed by .....

List of enclosures.....

Copied by .....

Examined by..... .....

General and Revenue Secretariat

( )

the *193*

Section

File No.

Serial No.

No.

D.O.,

The Supdt. ~~of~~

Resident's office

Bangalore

Dear Sir, Subject: Exemption to ~~W.~~ Securities for Bruton ~~W.~~ Est.

With reference to ~~the~~ your office Telephone message of 15-7-37 ~~in regard to~~ calling for certain information in connection ~~with~~ this office letter no Pol. 1533 of 24-6-37, I am desired to ~~at~~ invite reference to a ~~approach~~ Communication ~~reference~~ (no. Pol 608/37) of 26-11-37 sent to ~~your office~~ the Residency in the matter and and to request that the former reference may be treated as cancelled

Yours Sincerely

GOVERNMENT OF HIS HIGHNESS THE MAHARAJA OF MYSORE

General and Revenue Secretariat

Bangalore, Dated, 27th Novr. 1937
29/11

D. O. No. G 2984

Dear Sir,

Subject: Exemption of Mysore Government Securities from Burma Income tax.

- - - -

With reference to your office telephone message dated 15th July 1937 calling for certain information in connection with this office letter No. Pol. 1535 dated 24th June 1937, I am desired to invite reference to a separate communication (No. Pol. 608/F1 dated 26th November 1937) sent to the Residency in the matter and to request that the former reference may be treated as cancelled.

Yours sincerely,

29.11.37.

To

The Superintendent,

Resident's Office,

Bangalore.

C.2 289-36

In reply please quote reference to No. 2989 /S.L.Encl.One.

OFFICE OF THE COMPTROLLER TO THE GOVERNMENT OF HIS HIGHNESS THE MAHARAJA OF MYSORE,

Bangalore, dated 25th May *193* 7.

FINANCIAL SECRETARY FROM No.

A. N. RAGHAVACHAR, ESQ., M.A.,
Comptroller to the Government of His Highness the Maharaja of Mysore,
Bangalore.

FINANCIAL 4581 28 MAY 1937 GEAL. DEPT. SECT.

To

Rajaseva Nipuna
S.Shamanna,Esq,B.A.,
Financial Secretary to the Government of
His Highness the Maharaja of Mysore,
BANGALORE.

SIR,

I have the honour to forward herewith the copy of a letter dated 5-5-37, received from Mr. V.S.Aiyar,B.A.,B.L.,Barrister-at-Law, Magwe (Upper Burma), and to state that the party desires to know whether the exemption from Incometax in British India, which applied to the payments of interest on Mysore Government Loans in Burma, continues to apply after separation. No communique is stated to have been issued there on the point.

In his letter No. CC 2754 Dt.14-37 dated 19-4-37, copy of which was sent to Government with my U.O. Note No.2681/S.L. dated 24-4-37 the Controller of the Currency has already intimated that "the Bank would be bound to deduct incometax from the interest at the time of payment under the Law of Burma. The special arrangement in accordance with which the interest is paid free of tax in India, will not apply to Burma".

I solicit instructions of Government as to the reply to be sent to the Barrister and pending final decision as to the liability, or otherwise of tax free securities to Burma Incometax and whether the reciprocal arrangements in Burma prior to separation have to be treated as having ceased from that date.

I have the honor to be,
Sir,
Your most obedient servant,

A. N. Raghavachar
Comptroller.

25/5/37

G.T. 289-36-2

To

The Comptroller to
Government, Bangalore.

Fi 7 202
Dy 30/6/37

Sir,

With reference to your letter No. 2989/S.L. dated 25-5-1937, I am directed to state that Mr. V. S. Aiyar, Bar-at-Law of Burma may be informed in terms of the intimation received by you from the Controller of Currency. It is a matter for the Government of Burma to tax or not to tax our Securities and we are under no obligation to third parties residing in Burma to get exemption from Burma Tax.

The subject of addressing the Government of India to move the Government of Burma to continue the present reciprocal arrangements and exemptions, re: Double Income Tax is under the consideration of Government.

I have &c.,

Financial Secretary to
Government.

GOVERNMENT OF HIS HIGHNESS THE MAHARAJA OF MYSORE

General and Revenue Secretariat

Dated, Bangalore, 2nd June 1937

No. H 7202
F.7 289-36-2

From

The *Financial Secretary to the Government of His Highness*
the Maharaja of Mysore.

To

The Comptroller to the Government of Mysore,

Bangalore.

Sir,

With reference to your letter No.2939/S.L. dated 25th May 1937 I am directed to state that Mr. V.S. Aiyar, Bar-at-Law., of Burma may be informed in terms of the intimation received by you from the Controller of Currency. It is a matter for the Government of Burma to tax or not to tax our Securities and we are under no obligation to third parties residing in Burma to get them exemption from Burma Tax.

The object of addressing the Government of India to move the Government of Burma to continue the present reciprocal arrangements and exemptions, regarding Double Income Tax is under the consideration of Government.

I have the honour to be,

Sir,

Your most obedient servant,

K Venkata Rao
for Financial Secretary to Government.

Aga/2.

~~F. I. 42-36-1~~ No. Fl. Pol 1533 ~~[illegible]~~ Dated, Bangalore, 24th June 1937.

G.7 289-36-3

To

The Secretary to the Hon'ble the
Resident in Mysore,
Bangalore.

Sir,

I am directed to invite kind reference to your letters No. 5306-43/1917 dated the 11th June 1921 and Pol. 654 dated the 13th March 1924, in which certain reciprocal arrangements were approved by the Government of India in regard to relief from double taxation of certain classes of income liable to payment of income tax both in British India and in Mysore, ~~and the following notifications and rules issued accordingly~~:-

R
Q

No. 9315 & 20th July 1922.

M.

No action here
[illegible]
[illegible]
[illegible]

Mysore Government securities will therefore be liable to Burma income-tax. The positio is perhaps the same with regard to the ~~tax~~ other classes of Income referred to above also.

4. I am accordingly directed to request you to kindly move the Government of India to t[redacted] necessary ~~needful~~ action for getting the requi[redacted]ry orders and notifications issued fo[redacted]ontinuing these arrangements in Burma (separated).

5. I am ~~also~~ to add that as the Indian Income-tax Act has been ordered to be in force for a period of 2 years from 1st April 1937 in Burma also, it is but reasonable that the rules and exemption issued thereunder should also be continued during the period of transition.

I have etc.,

6/6.
Financial Secretary.

Pol. 608 S/26-11-37

* Revised draft incr. forwarding the corrections of the Fin. Dept.

To

The Secretary to the Hon'ble
the Resident in Mysore,
Bangalore

Exemption of Mysore Government Securities from Burma Income-tax.

Sir,

I am directed to invite kind reference to your letters No.5306-43/1917 dated the 11th June 1921 and Pol 854 dated the 13th March 1924 in which certain reciprocal arrangements were approved of by the Govt. of India in regard to relief from double taxation of certain classes of income liable to payment of income-tax both in British India and in Mysore. Intimation has been received from the Controller of Currency, Calcutta, that after the separation of Burma from British India from 1st April 1937, the exemption in respect of Mysore Government Securities will not be valid in Burma and that the interest on these Securities will therefore be liable to Burma Income-tax. But Section 148 of the Government of Burma Act provides that all the laws in force in Burma immediately before the commencement of that Act, shall continue in force in Burma until altered, repealed or amended by legislation or other competent authority, ~~further~~ and, as provided in Section 149, an order in Council has been issued amending the laws in force in Burma on 1st April 1937 in so far as amendments were necessary in consequence of separation of Burma from India. ~~The~~

According to this, the ~~The~~ British Indian Income-tax Act which was in force in Burma till 1st April 1937, and the Notifications issued thereunder ~~therefore~~ continues to be in force even subsequent to 1st April 1937, though under the new name of 'Burma Income Tax Act'. It seems therefore that the Notification issued under Section 60 of the British Indian Income Tax Act, exempting the interest on Mysore Durbar securities from the ~~Tax~~ payable under the Indian Income Tax Act, should be deemed to be in force in Burma. If however the view expressed by the Controller of Currency is correct, I am to request that the Crown Representative may kindly be moved to take necessary action ~~for continuing~~ to secure the continuance of the existing reciprocal arrangements in Burma.

I have etc.,

8/11/37.

13/11/37

Secretary to Government,
L.S.G. Department.

11/11

According to this, the British Indian Income-tax Act which was in force in Burma till 1st April 1937, and the Notifications issued thereunder continues to be in force even subsequent to 1st April 1937, though under the new name of 'Burma Income Tax Act'. It seems therefore that the Notification issued under Section 60 of the British Indian Income Tax Act, exempting the interest on Mysore Durbar securities from the Tax payable under the Indian Income Tax Act, should be deemed to be in force in Burma. If however the view expressed by the Controller of Currency is correct, I am to request that the Crown Representative may kindly be moved to take necessary action to secure the continuance of the existing reciprocal arrangements in Burma.

I have etc.,

13/11/37

Secretary to Government,
L.S.G. Department.

To

The Secretary to the Hon'ble the
Resident in Mysore,
Bangalore.

Exemption of Mysore Government Securities from Burma Income Tax

Sir,

I am directed to invite kind reference to your letters No.5306-43/1917 d the 11th June 1921 and Pol 854 dated 13th March 1924 in which certain reci- al arrangements were approved of by the rnment of India in regard to relief double taxation of certain classes of me liable to payment of income-tax both ritish India and in Mysore. Intimation been received from the Controller of ency, Calcutta, that after the separation urma from British India from 1st April , the exemption in respect of Mysore rnment Securities will not be valid in a and that the interest on these Securities therefore be liable to Burma Income-tax. according to the Order in Council issued ma under Section 149 of the Government of Act, amending the laws in force in on 1st April 1937 in consequence of separation of Burma from India, the British Indian Income Tax Act, which was in force in Burma till 1st April 1937 continues to be in force even subsequent to 1st April 1937, and it seems therefore that the Notification issued under Section 60 of the British Indian Income Tax Act, exempting the interest on Mysore Durbar securities from the Tax payable under the Indian

* : Now, Section 148 of the Government of Burma Act provides that all the laws in force in Burma immediately before the commencement of this Act, shall continue in force in Burma until altered, repealed or amended by Legislature or other competent authority. Further, as provided in section 149, an order in Council has been issued amending the Laws in force in Burma on 1.4.37 in so far as

the Tax payable under the Indian Income Tax Act, should be deemed to be in force in Burma. If however the view expressed by the Controller of Currency is correct, I am to request ~~you to~~ that the Crown Representative may kindly be moved to take necessary action for continuing the existing reciprocal arrangements in Burma.

I have etc.,

8.11.37.

6-11-37.

Secretary to Government
L S G Department

GOVERNMENT OF HIS HIGHNESS THE MAHARAJA OF MYSORE

General and Revenue Secretariat

Dated, Bangalore, 26th November 193 7

No. Pol. 608/H | Cr 289-3674

From

P. H. Krishna Rao, Esq., M.A.,
Secretary to the Government of His Highness the Maharaja of Mysore.

To

Local Self-Government Department.

The Secretary to the Hon'ble the Resident in Mysore,
Bangalore.

Sir,

Exemption of Mysore Government Securities from Burma Income-tax.

I am directed to invite kind reference to your letters No.5306-43/1917 dated the 11th June 1921 and Pol.854 dated the 13th March 1924 in which certain reciprocal arrangements were approved of by the Government of India in regard to relief from double taxation of certain classes of income liable to payment of income-tax both in British India and in Mysore. Intimation has been received from the Controller of Currency Calcutta, that after the separation of Burma from British India from 1st April 1937, the exemption in respect of Mysore Government Securities will not be valid in Burma and that the interest on these Securities will therefore be liable to Burma Income-tax. But Section 148 of the Government of Burma Act provides that all the laws in force in Burma immediately before the commencement of that Act, shall continue in force in Burma until altered, repealed or amended by legislation or other competent authority; and as provided in Section 149, an order in Council has been issued amending the laws in force in Burma on 1st April 1937 in so far as amendments were necessary in consequence of separation of Burma from India. According to this, the British Indian Income-tax Act which was in force in Burma till 1st April 1937, and the Notifications issued thereunder continue to be in force even subsequent to 1st April 1937, though under the new name of 'Burma Income Tax Act'. It seems

therefore

therefore that the Notification issued under Section 60 of the British Indian Income-tax Act, exempting the interest on Mysore Durbar Securities from the tax payable under the Indian Income-tax Act, should be deemed to be in force in Burma. If, however, the view expressed by the Controller of Currency is correct, I am to request that the Crown Representative may kindly be moved to take necessary action to secure the continuance of the existing reciprocal arrangements in Burma.

I have the honor to be,

Sir,

Your most obedient servant,

Fair draft

SECRETARY TO GOVERNMENT,
LOCAL SELF-GOVERNMENT DEPARTMENT.

S.R.2

G.7 289-36-5 Lot 1930

All communications should be addressed to the Secretary to the Resident in Mysore, Bangalore, by designation and not by name.

FINANCIAL BRANCH 3895 24 MAY 1938 FROM CENL & REV. SECTT.

No. F.114-37
R.O. 1

FINANCIAL BRANCH 24 MAY 1938 CENL & REV. SECTT.

8249

THE SECRETARY TO THE HON'BLE THE RESIDENT IN MYSORE.

To

The Secretary to the Government of
His Highness the Maharaja of Mysore,
Local Self-Government Department.

SECOND MEMBER COUNCIL 28 MAY 1938 9120

Dated Bangalore, 21st May *1938*

Exemption of Mysore Government Securities from Burma Income-tax.

SIR,

I am directed to refer to your letter No.Pol.608/F1., dated the 26th November 1937, and to state that the position is as described below -

(i) The exemption from income-tax in British India in respect of the interest on Mysore Government Securities was granted by the notification of the Government of India in the Finance Department No.93-B, dated the 25th July 1922, a copy of which was forwarded to the Government of Mysore with endorsement from this Residency, No.6384, dated the 9th August 1922. Since this notification (along with other notifications under Section 60 of the Indian Income tax Act, 1922) was in force in Burma immediately before separation, the provisions of the notification will, by virtue of Section 148 of the Government of Burma Act, 1935, and paragraph 9 of the Government of Burma (Adaptation of Burma Laws) Order, 1937, continue to be in force in that country after separation until repealed or modified by the Government of Burma.

for perusal in the first instance. It may be examined if there is room for reopening the matter in (ii)

(ii) The reciprocal arrangements with the Government of Mysore for relief from payment of double income tax were enforced by executive orders issued by the Government of India. Such orders issued before separation are no longer effective in Burma.

28/5

I have the honour to be,
Sir,
Your most obedient servant,

28/5/38

30-5-38

for SECRETARY TO THE RESIDENT.

Dewan

Submitted for perusal in the first instance

L.S.G. Secy.

24.5.38.

24/5

31/5

BJ

Appendix F G—1]

SUBJECT .....

.....

.....

Diary No. of letter replied to .....

General and Revenue Secretariat

( )

the *193* .

Date of issue 6/6/38

Signed by .....

Issue
AM
6/6.

Section 97.

File No. 289-36

Serial No. (9)

No. 7599

To The comptroller to Govt

Sir,

With reference to your ~~letter~~ U.O. note no 2556/SL, d 9-4-37, I am directed to forward for your information copy of letter no Pol 608/II d 26-11-37 ~~and their reply thereto~~ addressed to the Resident.

Please

H.S.

I have &c

For H. Secy to Govt

List of enclosures.....

Copied by .....

Examined by.....

GOVERNMENT OF HIS HIGHNESS THE MAHARAJA OF MYSORE

General and Revenue Secretariat

No. 47599/ED Bangalore, Dated, 6th June 193 8

From

The Financial Secretary to the Government of His Highness the Maharaja of Mysore.

To

The Comptroller to Government of Mysore,

Bangalore.

Sir,

With reference to your U.O.Note No.2556/S.L. dated 9th April 1937, I am directed to forward for your information copy of letter No.Pol.608/F1. dated 26th November 1937 addressed to the Residency.

I have the honour to be,
Sir,
Your most obedient servant,

For Financial Secretary to Government.

C.2-288-36-E

GOVERNMENT OF HIS HIGHNESS THE MAHARAJA OF MYSORE.

3895
18c

FINANCIAL SECRETARY
Comptroller's Office Bangalore.
23 JUN 1938
GOVT. OF MYSORE

No. 3209 S.L. Dated the 22nd June 1938

To

Rajaseevanipuna
S. Shamanna, Esq., B.A.,
Financial Secretary to the Govt. of Mysore,
Bangalore.

FINANCIAL BRANCH
24 JUNE 1938
4300
GEN. & REV. SECTT.

Sir,

I have the honor to acknowledge the receipt of your letter No. Fl. 7599/G.F. dated 6-6-1938, forwarding copy of letter No. Pol.608/Fl. dated 26th November 1937 addressed to the Residency on the subject of exemption of Mysore Government Securities from Burma Incometax.

I have the honor to be,
Sir,
Your most obedient servant.

For Comptroller. 22/6/38

drafts

Appendix F G—1]

SUBJECT.....

.....

.....

Two drafts.

Section 97

File No. 289-36

Serial No. 7

Diary No. of letter replied to .....

No. 7L2639/Eu: urgently

To The Comptroller & Govt.

General and Revenue Secretariat

( )

the *193*

Sir,

With reference to your letter no. 3209 & 22.6.1938, I am directed to forward for your information herewith a copy of the letter No F 114-37 Dated 21-5-1938 R O I from the Secretary to the Hon'ble the Resident in Mysore:

re: Exemption of Mysore Govt Securities from Burma Income-tax

I have etc

for Secy to Govt

2.11.38.

Date of issue 7th November 38

Signed by Mr. S. K. Janakiram

List of enclosures.....

Copied by.....

Examined by.....

GOVERNMENT OF HIS HIGHNESS THE MAHARAJA OF MYSORE

General and Revenue Secretariat

No. H 2639/G ? 289-36-7 Ex: one only

Dated, Bangalore, 7th November 1938.

From

The Secretary to the Government of His Highness the Maharaja of Mysore,
Local Self-Government Department.

To

The Comptfoller to the Government of Mysore,

Bangalore.

Sir,

With reference to your letter No.3209 dated 22nd June 1938, I am directed to forward herewith for information a copy of a letter No.F.114-37/R.O.I dated 21st May 1938 from the Secretary to the Hon'ble the Resident in Mysore re exemption of Mysore Government Securities from Burma Income-Tax.

I have the honour to be,

Sir,

Your most obedient servant,

H. Jaya Bhadri.

for Secretary to Government,
Local Self Government Department.

Aga/2.

Appendix F G—1]

SUBJECT.....

.....

.....

Diary No. of letter replied to .....

General and Revenue Secretariat

( )

the *193* .

Date of issue 7th November 1938

Signed by Mr. S. H. Jamkhandi

List of enclosures.....

Copied by.....

Examined by.....

Three Drafts

Section G7

File No. 289-36

Serial No. 8

No. H 2640/Ex: Secy only

To The Comr of Income tax
in Mysore Bglore

Sir

I am directed to forward herewith for your information and remarks, if any, a copy of the letter No F 114-37 RO I dated 21-5-1938 from the Secretary to the Hon'ble the Resident in Mysore to the Govt of H H the Maharaja of Mysore re: Exemption of Mysore Govt Securities from Burma Income tax together with a copy of the Communication from Govt, No Pol 608/GF 289-36-4 Dated 26-11-1937 from Govt to the Residency copy of which is also sent. to which the first mentioned letter is the reply.

I have etc

12.11.38.

for Secy to Govt

WD 0278—GPB—30,000—4-3-38

NL 30/10/38

GOVERNMENT OF HIS HIGHNESS THE MAHARAJA OF MYSORE

General and Revenue Secretariat

Dated, Bangalore, 5th November 1938.

No.

From

The Secretary to the Government of His Highness the Maharaja of Mysore,
Local Self-Government Department.

To

The Commissioner of Income Tax in Mysore,
Bangalore.

Sir,

I am directed to forward herewith for your information and remarks if any a copy of letter No.114-37/R.O.I dated 21st May 1938 from the Secretary to the Hon'ble the Resident in Mysore regarding Exemption of Mysore Government Securities from Burma Income-Tax together with a copy of this office letter No.Pol.608/G.F.289-36-4 dated 26th November 1937 to which the first mentioned letter is the reply.

I have the honour to be,
Sir,
Your most obedient servant,

for Secretary to Government,
Local Self Government Department.

Aga/2.

F. C. 2289-36-C

No. C. 249/38-39

Encs.

SECY. LOCAL SELF-GOVT. 25 MAR 1939 GOVT. OF MYSORE

OFFICE OF THE COMMISSIONER OF INCOME-TAX IN MYSORE,

Bangalore, 24th March *193* 9.

From

H. V. Ramasvami, Esq., M.A., B.L.,
The Commissioner of Income-tax in Mysore,
BANGALORE.

SECRETARIAT. 25 MAR 1939 3411 FINANCIAL BRANCH.

To

P. H. Krishna Rao, Esq., M.A.,
Secretary to the Government
of His Highness the Maharaja of Mysore,
Local Self-Government Department,
BANGALORE.

Sir,

Adverting to your letter No. Fl. 2640/G.F.289-36-8 dated 7th November 1938, I have the honour to note that the exemption of Mysore Government Securities from the Burma Incometax continues to be in force in Burma even after its separation, until altered, repealed or amended by legislation or other competent authority.

2. As regards incomes falling under the other heads, I am of opinion that no reciprocal arrangement with the Government of Burma is called for, for the present. A reference will be made when cases arise which are considered to be of importance.

I have the honour to be,

Sir,

Your most obedient servant,

H V Ramasvami

COMMISSIONER OF INCOME-TAX.

SL.
24/3.

To

The Controller of the Currency,
The Treasury,
Calcutta.

Sir,

With reference to your letter No.CC.2242 dated the 31st March 1937 regarding the payment of interest on Mysore Government Securities standing enfaced in Burma after separation from 1st April 1937, I have the honour to state that the arrangement made by the Reserve Bank of Ind in the first instance with your concurrence and communicated to this office with the Bank's Memo No.PDO/2984 dated the 20th March 1937 was quite acceptable to me and convenient to the bondholders also. ~~I was taken by surprise when I received your further~~ communication No.CC.2242 dated 31st March 1937 cancelling the arrangement and asking me to make other arrangements for making these payments. ~~was in three circumstances, further, interpolated~~ are placed as both as a difficult position

As the bondholders have been definitely promised payment of interest at Government Treasuries, the suggestions made by you that the bonds might be got ~~re~~-enfaced to India ~~may~~ ~~not~~ commend itself to the bondholders and requires careful consideration by the Government. As it will not be possible to come to a final decision and make other arrangements before the next payment of interest falls due viz., on the 1st of the next month, and as ~~xxxx~~ first letter dated 20-3-1937 of the Bank ~~would~~ same imply that there ~~is~~ was no insuperable objection to interest being paid in Burma ~~alone~~ through the Government of India Agency, I request that this arrangement may kindly be

be allowed for the next half year's payment subject to a settlement of (this rather important) the question involved in our course. As the amount to be paid is comparatively small, this is not likely to involve much inconvenience.)

I have &c.,

13.4.37

COMPTROLLER.

13-4-37

14.4.37